



GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

Induction of Banks for conduct of State Government Business – Handling of Tax Business – Entrustment of collection and Refund of Commercial Taxes and Value Added Tax (VAT) through the Central Bank of India online mode and H.D.F.C. Bank Limited through Physical and on-line mode throughout the State for a period of One year from 01.09.2012 to 31.08.2013 in relaxation of S.R. 27 under T.R.16 of A.P. Treasury Code Volume-I – Orders – Issued.

FINANCE (TFR) DEPARTMENT

G.O.Ms.No.230,

Dated:29-08-2012.

Read the following:-

1. G.O.Ms.No.177, Finance (TFR.I) Dept., dt:15-7-2005.
2. G.O.Ms.No.224, Finance (TFR.I) Dept., dt:12-9-2005.
3. G.O.Ms.No.72, Finance (TFR.I) Dept., dt:31-3-2007.
4. From the Senior Relationship Manager, HDFC Bank Limited, Hyderabad letter No. Nil dated 31.01.2012 and 21.02.2012.
5. From the Zonal Manager, Central Bank of India, Bank Street, Koti, Hyderabad letter No.ZO.Hyd.DIT.2012- 13-09, dated 25.04.2012.
6. From the Commissioner of Commercial Taxes, A.P.Hydrabad letter CCTs.Ref.No.CS(1)/483/2006, dated 16.05.2012.
7. U.O.No.45999/Regn.II/A1/2011, and 21968/CT.II(1)/2012, Revenue Dept.
8. This Department letter No.16173/253/TFR/2012, dated 20.06.2012 addressed to the Reserve Bank of India, Hyderabad.
9. From the Manager, RB India letter No.PAD(H)/675/01.01.004/2012-13, dated 09.08.2012.

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ORDER:

Based on the recommendations of the State Government in the references 6th to 8th read above, the Reserve Bank of India, in the reference 9th read above has authorized the Central Bank of India and HDFC Bank Limited to undertake Government business in the State of Andhra Pradesh for collection of Commercial Taxes and A.P.V.A.T. on behalf of Government of Andhra Pradesh through Physical and on-line mode subject to the condition that the existing system for reporting of State Government transactions to Reserve Bank of India will be kept unchanged.

2. Under the new A.P. Value Added Tax Act and Rules, a monthly refund may be required and such frequent refunds may be difficult to implement under Treasury Rules. It is not possible to apply SR.27 TR.16 to VAT if monthly refunds are to be provided to dealers. The Revenue Department has proposed to entrust refunds of Plastic VAT Dealers under A.P.VAT Act through the Central Bank of India and HDFC Bank Limited, Hyderabad.

3. Government after careful consideration of the matter, hereby entrust the work of collection of Commercial Taxes, A.P.V.A.T. and refunds to Central Bank of India, Hyderabad (Online mode) and HDFC Bank Limited, Hyderabad through Physical and on-line mode throughout the State for a period of one year from 01.09.2012 to 31.08.2013 in relaxation of S.R.27 under T.R. 16 of A.P.Treasury Code Volume-I with the following conditions:

- i) The Revenue Department and the Commissioner of Commercial Taxes Department shall establishment connectivity between Commercial Tax

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Department, Central Bank of India and HDFC Bank Limited, Hyderabad enabling efficient collection of taxes as ordered in G.O.Ms.No.72, Finance (TFR.I) Department, dated 31.03.2007.

- ii) Keeping in view of the importance of collection of revenue it is imperative that the funds are collected efficiently and passed on to the Government in the minimum possible time. To monitor this aspect the bank collecting commercial taxes on behalf of the Government shall submit a report (as per proforma-I in annexure to G.O.Ms.No.224, Finance (TFR.I) Dept. dated 12.09.2005 appended to this order on weekly basis, to Finance (DCM.I) Department containing the information regarding daily collection of tax, the date of remittance of tax proceeds to the Government account and reasons for any delay of credit to the Government account and refund of tax. Further, details of the cheques above Rs.1.00 lakh remitted by dealers as commercial tax such as the date of presentation of the cheque by the dealer to the bank, date on which the proceeds of the said cheque are remitted to the Government account and reasons for any delay should be reported on a weekly basis (as per proforma-II to G.O.Ms.No.224, Finance (TFR.I) Dept. dated 12.09.2005 appended to this order) to Finance (DCM.I) Department.
- iii) The Banks shall submit the data in the electronic form by adopting the software already designed by the Government.
- iv) For all other refunds including those under APGST Act and other refunds of VAT Dealers, the procedure already prevailing shall be continued as ordered, in the reference 1st read above.

4. The Commissioner of Commercial Taxes, Andhra Pradesh, Hyderabad is requested to monitor the transactions of the above Banks and ensure that the amount collected is credited without any delay and refunds made are genuine and authorized.

5. The Banks are liable for any unauthorized refunds made by them as determined by the Commissioner of Commercial Taxes, Andhra Pradesh.

6. These orders come into force with immediate effect and also available in Andhra Pradesh Government Website <http://www.aponline.gov.in> and <http://www.apfinance.gov.in>.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

PUSHPA SUBRAHMANYAM
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Revenue (CT.II) Department.
The Zonal Manager, Central Bank of India, Bank Street, Koti, Hyderabad.
The Senior Relationship Manager, H.D.F.C. Bank Limited, Begumpet, Hyderabad.
The Chief General Manager-in-Charge, RBI, Department of Govt. and Bank Accounts, Mumbai.
The General Manager, Reserve Bank of India, Saifabad, Hyderabad.
The Commissioner of Commercial Taxes, A.P.Hyderabad.
The Director of Treasuries and Accounts, A.P.Hyderabad.
The Principal Accountant General (Audit-I) A.P.Hyderabad.
The Principal Accountant General (Audit-II) A.P.Hyderabad.
The Principal Accountant General (A&E) A.P.Hyderabad.
The Finance (Expr.Revenue) Department.
The Finance (BG) Department.
Copy to S.F./S.Cs.

ANNEXURE

(Annexure to G.O.Ms.No.230,Finance (TFR) Department, dt:29-8-2012)

Proforma – I

Details of Daily Commercial Tax Collections for the week ended
(to be submitted to Finance (DCM.I) Department)

Name of the Bank

Date	Tax Collected	Tax Refunds	Date of Remittance to State Government Account	Reasons for Delay

Proforma – II

Details of cheques above Rs.1.00 lakh remitted by dealers as payment of commercial taxes for the week ended
(to be submitted to Finance (DCM.I) Department)

Name of the Bank

Cheque No.	Amount	Date of payment of cheque by the dealer to the bank	Date of Remittance of the proceeds of the cheque to State Government Account by the bank	Reasons for Delay